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**Ouachita Multi-Purpose Community Action Program, Inc.  
Monroe, Louisiana**

**Financial Statements With Auditors' Report**

**As of and for the years ended December 31, 2001 and 2000  
With Supplemental Information Schedules**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 8/14/02

Ouachita Multi-Purpose Community Action Program, Inc.  
Monroe, Louisiana

Table of Contents

	<u>Page No.</u>
<b>Independent Auditors' Report</b>	1 – 2
<b>Financial Statements:</b>	
Statements of Financial Position	3
Statements of Activities	4
Statements of Cash Flows	5
Notes to Financial Statements	6 – 13
<b>Combining Schedules:</b>	
Combining Schedule of Financial Position	14
Combining Schedule of Activities	15
<b>Supplemental Information Schedules Prepared For Grants and Contracts Analysis</b>	
Head Start Program Award No. 06CH5175/35 For the Contract Period: January 1, 2001 to December 31, 2001	17
Child and Adult Care Food Program For the Contract Period: October 1, 2000 to September 30, 2001	18
Community Services Block Grant Contract No. 00N0027 For the Contract Period: January 1, 2001 to December 31, 2001	19
Project Independence For the Period: January 1, 2001 to December 31, 2001	20

(Continued)

Table of Contents  
(Continued)

	<u>Page No.</u>
Housing Counseling For the Period: January 1, 2001 to December 31, 2001	21
Ouachita Council of Governments For the Period: January 1, 2001 to December 31, 2001	22
General Services For the Period: January 1, 2001 to December 31, 2001	23
<b>Schedule of Expenditures of Federal Awards</b>	24– 25
<b>Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i></b>	26– 27
<b>Report on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133</b>	28– 29
<b>Summary Schedule of Prior Audit Findings</b>	30
<b>Schedule of Findings and Questioned Costs</b>	30
<b>Summary Schedule of Audit Findings For the Louisiana Legislative Auditor: Prior Year Audit Findings</b>	31
<b>Current Year Audit Findings</b>	32

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## Independent Auditors' Report

To the Board of Directors  
Ouachita Multi-Purpose Community Action Program, Inc.  
Monroe, Louisiana

We have audited the accompanying statements of financial position of Ouachita Multi-Purpose Community Action Program, Inc. (a nonprofit organization) as of December 31, 2001 and 2000, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of Ouachita Multi-Purpose Community Action Program, Inc.'s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Ouachita Multi-Purpose Community Action Program, Inc. as of December 31, 2001 and 2000, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated April 18, 2002, on our consideration of Ouachita Multi-Purpose Community Action Program, Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was performed for the purpose of forming an opinion on the basic financial statements of Ouachita Multi-Purpose Community Action Program, Inc. taken as a whole. The accompanying schedule of expenditures of federal

awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The accompanying supplemental schedules shown on pages 14-15, are presented for the purpose of additional analysis and are not a required part of the financial statements of Ouachita Multi-Purpose Community Action Program, Inc. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

The accompanying supplemental schedules, listed as "Supplemental Information Schedules Prepared For Grants and Contracts Analysis" in the table of contents and shown on pages 17-23, are presented for the purpose of providing various funding sources of Ouachita Multi-Purpose Community Action Program, Inc. additional individual grant and contract analysis and are not a required part of the financial statements. The information is prepared on a prescribed basis of the various funding sources of Ouachita Multi-Purpose Community Action Program, Inc., and certain schedules are for periods other than the organization's fiscal year. These schedules are not presented in accordance with generally accepted accounting principles. Accordingly, the schedules mentioned previously and shown on pages 17-23 are not intended to present financial position and results of operations in conformity with generally accepted accounting principles. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and in our opinion are fairly stated on the basis of accounting practices prescribed by the various funding sources.



Cook and Morehart  
Certified Public Accountants  
April 18, 2002

Ouachita Multi-Purpose Community Action Program, Inc.  
Monroe, Louisiana  
Statements of Financial Position  
December 31, 2001 and 2000

Assets	2001	2000
Current assets:		
Cash	\$ 231,803	\$ 246,629
Grant receivables	246,483	307,541
Account receivable-other		840
Due from other funds	88,108	81,582
<i>Total current assets</i>	<u>566,394</u>	<u>636,592</u>
Property and equipment:		
Property and equipment	2,330,528	2,240,339
Accumulated depreciation	(1,576,161)	(1,464,245)
<i>Net property and equipment</i>	<u>754,367</u>	<u>776,094</u>
<b>Total Assets</b>	<u><u>\$ 1,320,761</u></u>	<u><u>\$ 1,412,686</u></u>
<b>Liabilities and Net Assets</b>		
Current liabilities:		
Accounts payable	\$ 249,383	\$ 278,887
Accrued liabilities	78,497	22,413
Due to other funds	88,108	81,582
<i>Current portion of long-term debt</i>	7,043	52,623
Refundable advances		114,682
<i>Total current liabilities</i>	<u>423,031</u>	<u>550,187</u>
Long-term debt		<u>7,043</u>
<i>Total liabilities</i>	<u>423,031</u>	<u>557,230</u>
Net assets:		
Unrestricted:		
Operating	30,192	18,350
Designated for specific programs	120,214	88,179
Fixed assets	<u>747,324</u>	<u>748,927</u>
<i>Total net assets</i>	<u>897,730</u>	<u>855,456</u>
<b>Total Liabilities and Net Assets</b>	<u><u>\$ 1,320,761</u></u>	<u><u>\$ 1,412,686</u></u>

The accompanying notes are an integral part of the financial statements.

Ouachita Multi-Purpose Community Action Program, Inc.  
Monroe, Louisiana  
Statements of Activities  
For the Years Ended December 31, 2001 and 2000

	Unrestricted	
	2001	2000
Revenues and Other Support:		
Contractual revenue - grants	\$ 5,136,144	\$ 4,563,296
Miscellaneous revenues	124,081	48,403
Total revenues and other support	<u>5,260,225</u>	<u>4,611,699</u>
Expenses:		
Head start program	3,775,432	3,494,507
Child and adult care food program	410,041	417,832
Community services block grant	421,009	388,138
Home energy assistance	507,860	306,563
Project independence	19,926	22,068
Commodities distribution		8,207
Housing counseling	4,177	4,622
OCOg	3,365	
Other general services	76,141	41,778
Total expenses	<u>5,217,951</u>	<u>4,683,715</u>
Changes in net assets	42,274	(72,016)
Net assets, beginning of year	<u>855,456</u>	<u>927,472</u>
Net assets, end of year	<u>\$ 897,730</u>	<u>\$ 855,456</u>

The accompanying notes are an integral part of the financial statements.



Ouachita Multi-Purpose Community Action Program, Inc.  
Monroe, Louisiana  
Statements of Cash Flows  
For the Years Ended December 31, 2001 and 2000

	<u>2001</u>	<u>2000</u>
<b>Operating Activities</b>		
Change in net assets	\$ 42,274	\$ (72,016)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	134,356	151,211
Loss on disposition of equipment	795	
(Increase) decrease in operating assets:		
Grant receivables	61,058	325,517
Accounts receivable - other	840	(840)
Increase (decrease) in operating liabilities		
Accounts payable	(29,504)	(132,281)
Accrued liabilities	56,084	(10,175)
Refundable advances	(114,682)	(48,519)
Net cash provided by operating activities	<u>151,221</u>	<u>212,897</u>
<b>Investing Activities</b>		
Payments for property and equipment	<u>(113,424)</u>	<u>(140,626)</u>
Net cash used in investing activities	<u>(113,424)</u>	<u>(140,626)</u>
<b>Financing Activities</b>		
Proceeds from long-term debt		65,000
Repayments of long-term debt	<u>(52,623)</u>	<u>(51,072)</u>
Net cash provided by (used in) financing activities	<u>(52,623)</u>	<u>13,928</u>
Net increase (decrease) in cash	(14,826)	86,199
Cash as of beginning of year	<u>246,629</u>	<u>160,430</u>
Cash as of end of year	<u>\$ 231,803</u>	<u>\$ 246,629</u>
<b>Supplemental disclosures:</b>		
Cash paid for interest in 2001 and 2000 was \$2,265 and \$4,078, respectively.		

The accompanying notes are an integral part of the financial statements.



Ouachita Multi-Purpose Community Action Program, Inc.  
Monroe, Louisiana  
Notes to Financial Statements  
December 31, 2001 and 2000

(1) Summary of Significant Accounting Policies

A. Nature of Activities

Ouachita Multi-Purpose Community Action Program, Inc. (OMCAP) is a private nonprofit corporation incorporated under the laws of the State of Louisiana. OMCAP is governed by a Board of Directors composed of members from Ouachita Parish. OMCAP operates as a community action agency administering various federal and state funded programs designed to provide assistance to the poor and disadvantaged in Ouachita Parish in Louisiana. The following programs, with their approximate percentage of total revenues indicated, are administered by OMCAP:

**Head Start Program (72%)** – Provides comprehensive early child development for disadvantaged and handicapped preschool children and their families. Funding is provided by federal funds from the U.S. Department of Health and Human Services.

**Child and Adult Care Food Program (8%)** – Provides a food service program in coordination with the Head Start Program. Funding is provided by federal funds passed through the Louisiana Department of Education.

**Community Services Block Grant (8%)** – Administers programs designed to provide services and activities that will have a measurable impact on causes of poverty in the community. Funding is provided by federal funds passed through the Louisiana Department of Labor.

**Home Energy Assistance Program (10%)** – Assists low income households to offset the burden of high energy costs. Funding is provided by federal funds passed through the Louisiana Department of Social Services and the Louisiana Housing Finance Agency.

**Project Independence Program (.3%)** – Provides transportation services to eligible participants. Funding is provided by federal funds from the Louisiana Department of Social Services.

**Commodities Distribution** – Provides distribution of U.S.D.A. donated commodities to eligible persons in the community. Funding is provided by federal funds passed through the Louisiana Department of Agriculture and Forestry.

**Housing Counseling Services** – Includes a full range of services, advice, and assistance to housing consumers to assist them in improving their housing conditions and meeting the responsibilities of homeownership and tenancy. Funding is provided by federal funds from the U.S. Department of Housing and Urban Development.

(Continued)

Ouachita Multi-Purpose Community Action Program, Inc.  
Monroe, Louisiana  
Notes to Financial Statements  
December 31, 2001 and 2000  
(Continued)

**Ouachita Council of Governments (OCOG) (.2%)** – Accounts for quarterly reimbursements received from the Ouachita Council of Governments for general agency operations.

**General Services (1.5%)** – Provides payment of necessary agency expenses not specifically attributable to a grant/contract operated by the agency. Funding is provided by various donations.

**B. Basis of Accounting**

The financial statements of OMCAP have been prepared on the accrual basis of accounting.

**C. Basis of Presentation**

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, Financial Statements of Not-for-Profit Organizations. Under SFAS No. 117, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

**D. Income Taxes**

OMCAP is a nonprofit corporation and is exempt from state and federal income taxes under Section 501 (c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to OMCAP's tax-exempt purpose is subject to taxation as unrelated business income. OMCAP had no such income for this audit period.

**E. Use of Estimates**

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and reported revenues and expenses. Actual results could differ from those estimates.

**F. Cash and Cash Equivalents**

For purposes of the Statement of Cash Flows, OMCAP considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

(Continued)

**Ouachita Multi-Purpose Community Action Program, Inc.**  
**Monroe, Louisiana**  
**Notes to Financial Statements**  
**December 31, 2001 and 2000**  
**(Continued)**

**G. Property and Equipment**

Acquisitions of buildings, equipment, and improvements and all expenditures for repairs, maintenance, and betterments that materially prolong the useful lives of assets are capitalized. Capitalized assets are stated at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful life of each asset.

The Federal Government has a reversionary interest in property purchased with federal funds. Its disposition as well as the ownership of any proceeds therefrom is subject to federal regulations. The use of assets purchased with federal funds is limited to the purposes intended by the funding agency.

**H. Revenue and Support**

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. Contractual grant revenue is reported as unrestricted support due to the restrictions placed on those funds by the funding sources being met in the same reporting period as the revenue is earned.

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

**I. Functional Allocation of Expenses**

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

(Continued)

Ouachita Multi-Purpose Community Action Program, Inc.  
Monroe, Louisiana  
Notes to Financial Statements  
December 31, 2001 and 2000  
(Continued)

(2) Concentrations of Credit Risk

OMCAP maintains its temporary cash investments with financial institutions that are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$100,000 at each bank. At December 31, 2001 and 2000, total cash balances held at financial institutions was \$291,554 and \$442,234, respectively. At December 31, 2001, \$237,829 was secured by FDIC and the remaining \$53,725 was secured by the bank as pledged securities. At December 31, 2000, \$369,478 was insured by FDIC the remaining \$72,756 was unsecured.

Concentrations of credit risk with respect to grant receivables were limited due to the balance being comprised of amounts due from governmental agencies under contractual terms. As of December 31, 2001 and 2000, OMCAP had no significant concentrations of credit risk in relation to grant receivables.

(3) Grant Receivables

Various funding sources provide reimbursement of allowable costs under contracts or agreements. These balances represent amounts due from the funding sources at December 31, 2001 and 2000 but not received until after those dates.

(4) Due To and Due From Other Funds

The following schedule represents amounts due to and due from other funds at December 31, 2001 and 2000:

Fund	2001		2000	
	Due From Other Funds	Due To Other Funds	Due From Other Funds	Due To Other Funds
Head Start Program -				
from Child and Adult Care Program	\$ 60,000	\$ -	\$ 60,450	\$ 7,968
Project Independence	1,686	-	1,686	-
Community Services Block Grant	-	12,137	3,449	-
Child and Adult Care Food Program	-	60,000	-	60,450
Low-Income Home Energy Assistance Program	-	10,722	-	7,722
Ouachita Council of Governments	5,295	-	5,295	-
General Services	21,127	5,249	10,702	5,442
	<u>\$ 88,108</u>	<u>\$ 88,108</u>	<u>\$ 81,582</u>	<u>\$ 81,582</u>

(Continued)

Ouachita Multi-Purpose Community Action Program, Inc.  
Monroe, Louisiana  
Notes to Financial Statements  
December 31, 2001 and 2000  
(Continued)

(5) Property and Equipment

Property and equipment consisted of the following at December 31, 2001:

	<u>Estimated Depreciable Life</u>	<u>Purchased With Federal Funds</u>	<u>Purchased With Non-Federal Funds</u>	<u>Total</u>
Land		\$ 37,000	\$ 19,500	\$ 56,500
Buildings & improvements	20-30 years	712,935	-	712,935
Furniture and equipment	5 - 7 years	1,549,732	11,361	1,561,093
Accumulated depreciation		( 1,564,800)	( 11,361)	(1,576,161)
Net investment in plant		<u>\$ 734,867</u>	<u>\$ 19,500</u>	<u>\$ 754,367</u>

Depreciation expense for the year ended December 31, 2001 was \$134,356.

Property and equipment consisted of the following at December 31, 2000:

	<u>Estimated Depreciable Life</u>	<u>Purchased With Federal Funds</u>	<u>Purchased With Non-Federal Funds</u>	<u>Total</u>
Land		\$ 37,000	\$ 19,500	\$ 56,500
Buildings	20-30 years	712,935	-	712,935
Furniture and equipment	5 - 7 years	1,459,543	11,361	1,470,904
Accumulated depreciation		( 1,452,884)	( 11,361)	(1,464,245)
Net investment in plant		<u>\$ 756,594</u>	<u>\$ 19,500</u>	<u>\$ 776,094</u>

Depreciation expense for the year ended December 31, 2000 was \$151,211.

(Continued)



Ouachita Multi-Purpose Community Action Program, Inc.  
Monroe, Louisiana  
Notes to Financial Statements  
December 31, 2001 and 2000  
(Continued)

(6) Refundable Advances

OMCAP records federal funds received in excess of expenditures as a refundable advance until they are expended for the purpose of the contract or until the funds are returned to the appropriate funding source.

(7) Contractual Revenue – Grants

During the years ended December 31, 2001 and 2000, OMCAP received contractual revenue from federal and state grants in the amount of \$5,136,144 and \$4,563,296, respectively. The continued existence of these funds is based on annual contract renewals with various funding sources.

(8) Retirement Plan

OMCAP participates in a tax sheltered annuity whereby an amount equal to 7% of the salary of eligible employees is contributed to the plan. The amount contributed by OMCAP for the year ended December 31, 2001 and 2000 was \$146,906 and \$149,431, respectively.

(9) Long-term Debt

Long-term debt at December 31, 2001 and 2000 consists of the following:

	<u>2001</u>	<u>2000</u>
Note payable to a business, due in monthly installments of \$1,795.54 including interest 8.0%, secured by a building; final payment due May 2002	\$ 7,043	\$ 27,166
 Note payable to a bank, due March, 2001, including interest at 10.5%, secured by accounts receivable	 –	 32,500
 Less current installments on long-term debt	 <u>( 7,043)</u>	 <u>( 52,623)</u>
Non-current portion of long-term debt	<u>\$ –</u>	<u>\$ 7,043</u>

(Continued)

Ouachita Multi-Purpose Community Action Program, Inc.  
Monroe, Louisiana  
Notes to Financial Statements  
December 31, 2001 and 2000  
(Continued)

Approximate maturities of long-term debt are summarized as follows:

For the Year Ending <u>December 31,</u>	Approximate <u>Amount</u>
2002	<u>7,043</u>
	<u>\$ 7,043</u>

Interest expense paid on these notes for the years ended December 31, 2001 and 2000 was \$2,265 and \$4,078, respectively.

(10) Unrestricted Operating Net Assets

Unrestricted operating net assets totaling \$30,192 and \$18,350 for 2001 and 2000, respectively, are detailed by individual program as follows:

	<u>2001</u>	<u>2000</u>
Ouachita Council of Governments	\$ 7,587	\$ 5,924
Home Energy Assistance	( 1,455)	( 7,913)
Commodities Distribution		( 952)
General Services	<u>24,060</u>	<u>21,291</u>
	<u>\$ 30,192</u>	<u>\$ 18,350</u>

(11) Unrestricted Designated Net Assets

As of December 31, 2001 and 2000, the unrestricted designated net assets consisted of funds designated to be used only for the operations of the following programs:

	<u>2001</u>	<u>2000</u>
Child and Adult Care Food Program	\$ 87,633	\$ 62,634
Ouachita Council of Governments	7,080	
Housing Counseling	17,762	21,522
Job Access	3,876	
Project Independence	<u>3,863</u>	<u>4,023</u>
	<u>\$ 120,214</u>	<u>\$ 88,179</u>

(Continued)



Ouachita Multi-Purpose Community Action Program, Inc.  
Monroe, Louisiana  
Notes to Financial Statements  
December 31, 2001 and 2000  
(Continued)

(12) *Commodities Distribution*

The expenses shown as commodities distribution represent certain costs to distribute the commodities. The value of the commodities distributed was approximately \$35,375 for 2000. The value of the commodities distributed is not reflected in the accompanying financial statements. The commodities program ended during the year ended December 31, 2000.

(13) *Leases*

The agency leases certain buildings under operating leases. The rental costs on these items for the year ended December 31, 2001 and 2000, were \$13,596 and \$13,427, respectively. There were no commitments under lease agreements having initial or remaining non-cancelable terms in excess of one year as of December 31, 2001.

(14) *Accrued Liabilities*

Accrued liabilities consisted of the following at December 31, 2001 and 2000:

	<u>2001</u>	<u>2000</u>
Accrued leave	\$ 28,937	\$ 11,490
Payroll taxes payable	32,566	10,923
Other payroll withholdings	<u>16,994</u>	<u>-</u>
	<u>\$ 78,497</u>	<u>\$ 22,413</u>

Ouachita Multi-Purpose Community Action Program, Inc.  
Monroe, Louisiana  
Combining Schedule of Financial Position  
December 31, 2001

	Head Start Program	Child & Adult Care Food Program	Community Services Block Grant	Home Energy Assistance	Project Independence	Housing Counseling	OCOG	General	Total
<b>Assets</b>									
Current assets:									
Cash	\$ 24,641	\$ 112,147	\$ 2,970	\$ 7,426	\$ 1,794	\$ 17,762	\$ 8,345	\$ 56,718	\$ 231,803
Grant receivables	173,529	37,546	9,167	19,251	1,025		1,027	4,938	246,483
Due from other funds	60,000				1,686		5,295	21,127	88,108
Total current assets	<u>258,170</u>	<u>149,693</u>	<u>12,137</u>	<u>26,677</u>	<u>4,505</u>	<u>17,762</u>	<u>14,667</u>	<u>82,783</u>	<u>566,394</u>
Property and equipment:									
Property and equipment	2,105,133	84,911	41,618	2,135	60,668	2,088		33,975	2,330,528
Accumulated depreciation	(1,427,677)	(38,440)	(36,856)	(2,135)	(54,873)	(1,705)		(14,475)	(1,576,161)
Net property and equipment	<u>677,456</u>	<u>46,471</u>	<u>4,762</u>		<u>5,795</u>	<u>383</u>		<u>19,500</u>	<u>754,367</u>
Total Assets	<u>\$ 935,626</u>	<u>\$ 196,164</u>	<u>\$ 16,899</u>	<u>\$ 26,677</u>	<u>\$ 10,300</u>	<u>\$ 18,145</u>	<u>\$ 14,667</u>	<u>\$ 102,283</u>	<u>\$ 1,320,761</u>
<b>Liabilities and Net Assets</b>									
Current liabilities									
Accounts payable	\$ 231,973	\$	\$	\$ 17,410	\$	\$	\$	\$	\$ 249,383
Accrued liabilities	26,197	2,060			642			49,598	78,497
Due to other funds		60,000	12,137	10,722				5,249	88,108
Current portion long-term debt	7,043								7,043
Total current liabilities	<u>265,213</u>	<u>62,060</u>	<u>12,137</u>	<u>28,132</u>	<u>642</u>			<u>54,847</u>	<u>423,031</u>
Net assets:									
Unrestricted:									
Operating				(1,455)			7,587	24,060	30,192
Designated for specific programs		87,633			3,863	17,762	7,080	3,876	120,214
Fixed assets	670,413	46,471	4,762		5,795	383		19,500	747,324
Total net assets	<u>670,413</u>	<u>134,104</u>	<u>4,762</u>	<u>(1,455)</u>	<u>9,658</u>	<u>18,145</u>	<u>14,667</u>	<u>47,436</u>	<u>897,730</u>
Total Liabilities and Net Assets	<u>\$ 935,626</u>	<u>\$ 196,164</u>	<u>\$ 16,899</u>	<u>\$ 26,677</u>	<u>\$ 10,300</u>	<u>\$ 18,145</u>	<u>\$ 14,667</u>	<u>\$ 102,283</u>	<u>\$ 1,320,761</u>

Ouachita Multi-Purpose Community Action Program, Inc.  
Monroe, Louisiana  
Combining Schedule of Activities  
For the Year Ended December 31, 2001

	Head Start Program	Child & Adult Care Food Program	Community Services -Block Grant	Home Energy Assistance	Project Independence	Housing Counseling	OCOG	General	Total
Revenues and Other Support									
Contractual revenue- grants	\$ 3,756,532	\$ 420,376	\$ 418,748	\$ 514,252	\$ 14,128	\$	\$ 12,108	\$	\$ 5,136,144
Miscellaneous revenues	40,277			66				83,738	124,081
Total revenues and other support	3,796,809	420,376	418,748	514,318	14,128		12,108	83,738	5,260,225
Expenses:									
Salaries	2,311,730	161,045	255,150	15,190	6,958			11,545	2,761,618
Fringe Benefits	534,171	38,342	57,730	2,290	1,729			805	635,067
Travel	226,536	2,276	6,558	377					235,747
Occupancy	182,751		21,589						204,340
Telephone	7,823	488	11,156						19,467
Insurance	31,942		12,424		500			17	44,883
Vehicle operation			3,982		3,602			9,972	17,556
Supplies and postage	148,188	1,069	7,933	10,872					168,062
Equipment expenses		17,020	2,358					4,971	24,349
Professional services	72,115	2,418	2,514	947	110				78,104
Food and related supplies	79,715	170,647							250,362
Training	44,410								44,410
Miscellaneous	26,979	1,149	5,186	4,848	10		3,365	47,990	89,527
Client assistance payments			32,167	473,336				841	505,503
Interest									841
Counseling						3,759			3,759
Depreciation	109,072	15,587	2,262		7,017	418			134,356
Total expenses	3,775,432	410,041	421,009	507,860	19,926	4,177	3,365	76,141	5,217,951
Change in net assets	21,377	10,335	(2,261)	6,458	(5,798)	(4,177)	8,743	7,597	42,274
Net assets, as of beginning of year	649,036	123,769	7,023	(7,913)	15,456	22,322	5,924	39,839	855,456
Net assets as of end of year	\$ 670,413	\$ 134,104	\$ 4,762	\$ (1,455)	\$ 9,658	\$ 18,145	\$ 14,667	\$ 47,436	\$ 897,730

**Supplemental Information Schedules Prepared  
For Grants and Contracts Analysis**

Ouachita Multi-Purpose Community Action Program, Inc.  
Monroe, Louisiana  
Head Start Grant No. 06CH5175/35  
U.S. Department of Health and Human Services  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual  
For the Contract Period: January 1, 2001 to December 31, 2001

	Budget	Actual	COB Balances Current Year
Revenues			
Federal share awarded this period	\$ 3,985,684	\$ 3,985,684	
Grantee's contribution	996,421	939,133	
Total revenue	4,982,105	4,924,817	
Expenditures:			
Head Start program			
Personnel	2,416,180	2,311,730	104,450
Fringe benefits	666,554	534,171	132,383
Travel	40,000	97,849	(57,849)
Equipment	104,000	104,000	
Supplies	105,400	157,169	(51,769)
Contractual	30,126	67,653	(37,527)
Facilities/Construction	114,549		
Other	508,875	483,959	24,916
	3,985,684	3,756,531	229,153
Grantee's share	996,421	939,133	
Total all expenditures	\$ 4,982,105	4,695,664	
Revenue over (under) expenditures		229,153	
Fund balance, beginning January 1, 2001		39,296	
Reprogrammed grant #06CH5175/33		(45,817)	
Reprogrammed grant #06CH5175/34		(152)	
Fund balance, ending December 31, 2001		<u>\$ 222,480</u>	
Fund balance analysis:			
Revenues over expenditures grant #06CH5175/26		\$ 106,767	
Reprogrammed from grant #06CH5175/26		(113,440)	
Revenues over expenditures grant #06CH5175/35		229,153	
Fund Balance, December 31, 2001		<u>\$ 222,480</u>	

Ouachita Multi-Purpose Community Action Program, Inc.  
Monroe, Louisiana  
Child and Adult Care Food Program  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
For the Contract Period: October 1, 2000 to September 30, 2001

Revenue

Contract revenue	\$	405,349
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Total revenue		405,349
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Expenditures:

Personnel		158,691
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Fringe benefits		36,899
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Travel		2,048
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Audit		2,418
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Office supplies, postage and telephone		15,616
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Food purchases		162,736
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Equipment expense		2,051
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Miscellaneous		3,210
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Total expenditures		383,669
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Excess revenue (expenditures)		21,680
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Fund balance, October 1, 2000		20,752
-------------------------------	--	--------

Fund balance, September 30, 2001	\$	42,432
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Ouachita Multi-Purpose Community Action Program, Inc.  
Monroe, Louisiana  
Community Services Block Grant  
Department of Labor  
Contract No. 2000N0027  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual  
For the Period: January 1, 2001 to December 31, 2001

**CONTRACT PERIOD: January 1, 2000 - September 30, 2002**

	Budget	Actual	Actual (Over) Under Budget
Revenues:			
Contract revenue		\$ 432,000	
Program Income			
Total revenue		<u>432,000</u>	
Expenditures:			
Administration			
Salaries	245,065	113,511	131,554
Fringe benefits	58,409	27,084	31,325
Travel	10,240	5,016	5,224
Equipment	2,261	876	1,385
Other support costs	61,697	28,263	33,434
Total administration	<u>377,672</u>	<u>174,750</u>	<u>202,922</u>
Program Activities:			
Salaries	273,548	141,639	131,909
Fringe benefits	63,503	30,646	32,857
Travel	3,013	1,542	1,471
Equipment	1,385	1,385	
Other support costs	91,495	36,618	54,877
Emergency services	67,350	31,108	36,242
Total program activities	<u>500,294</u>	<u>242,938</u>	<u>257,356</u>
Commodity food and nutrition	<u>4,459</u>	<u>1,059</u>	<u>3,400</u>
Total expenditures	<u>\$ 882,425</u>	<u>418,747</u>	<u>\$ 463,678</u>
Excess revenues (expenditures)		13,253	
Fund balance, January 1, 2001		<u>7,581</u>	
Fund Balance, December 31, 2001		<u>\$ 20,834</u>	



Ouachita Multi-Purpose Community Action Program, Inc.  
Monroe, Louisiana  
Project Independence  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
For the Period: January 1, 2001 to December 31, 2001

Revenue:

Grant revenue	\$ 14,128
Total revenue	<u>14,128</u>

Expenditures:

Salaries	6,958
Fringe benefits	1,729
Vehicle expense	5,481
Other	<u>120</u>
Total expenditures	<u>14,288</u>

Excess revenue (expenditures)	(160)
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Fund balance, January 1, 2001	<u>4,023</u>
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Fund balance, December 31, 2001	<u><u>\$ 3,863</u></u>
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Ouachita Multi-Purpose Community Action Program, Inc.  
Monroe, Louisiana  
Housing Counseling  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
For the Period: January 1, 2001 to December 31, 2001

Revenue:

Grant revenue	\$ .
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Expenditures:

Counseling	<u>3,759</u>
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Total expenditures	<u>3,759</u>
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Excess revenue (expenditures)	(3,759)
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Fund balance, January 1, 2001	<u>21,522</u>
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Fund balance, December 31, 2001	<u><u>\$ 17,763</u></u>
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Ouachita Multi-Purpose Community Action Program, Inc.  
Monroe, Louisiana  
Ouachita Council of Governments  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
For the Period: January 1, 2001 to December 31, 2001

Revenue:

Grant revenue	<u>\$ 12,108</u>
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Expenditures:

Miscellaneous	<u>3,365</u>
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Total expenditures	<u>3,365</u>
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Excess revenue (expenditures)	8,743
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Fund balance, January 1, 2001	<u>5,924</u>
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Fund balance, December 31, 2001	<u><u>\$ 14,667</u></u>
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Ouachita Multi-Purpose Community Action Program, Inc.  
Monroe, Louisiana  
General Services  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
For the Period: January 1, 2001 to December 31, 2001

Revenue:

Miscellaneous	<u>83,738</u>
Total revenue	83,738

Expenditures:

Personnel	11,545
Fringe benefits	805
Equipment	4,971
Miscellaneous	<u>58,820</u>
Total expenditures	<u>76,141</u>
Excess revenue (expenditures)	7,597
Fund balance, January 1, 2001	<u>39,838</u>
Fund balance, December 31, 2001	<u><u>\$ 47,435</u></u>

Ouachita Multi-Purpose Community Action Program, Inc.  
Monroe, Louisiana  
Schedule of Expenditures of Federal Awards  
For the Year Ended December 31, 2001

<u>Federal Grantor / Pass-Through Grantor / Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>Expenditures</u>
<u>U.S. Department of Health and Human Services</u>			
Direct Program:			
Head Start (Fy 12-31-01)	93.600	06CH5175/35	3,756,531
Passed through Louisiana Department of Labor Community Services Block Grant (Fy 12-31-01)	93.569	2000N0027	418,747
Passed through Louisiana Department of Social Services, Office of Community Services Low-Income Home Energy Assistance Program - Energy (Fy 06-30-01)	93.568	565783	264,165
Passed through Louisiana Housing Finance Agency Temporary Assistance for Needy Families Low-Income Home Energy Assistance Program (Fy 12-31-01)	93.558 93.568	Unknown Unknown	116,471 127,224
Passed through Louisiana Department of Social Services, Office of Family Support Project Independence	93.561	Unknown	<u>14,288</u>
Total U.S. Department of Health and Human Services			<u>4,697,426</u>

Ouachita Multi-Purpose Community Action Program, Inc.  
Monroe, Louisiana  
Schedule of Expenditures of Federal Awards  
For the Year Ended December 31, 2001  
(Continued)

<u>Federal Grantor / Pass-Through Grantor / Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>Expenditures</u>
<u>U.S. Department of Agriculture</u>			
Passed through Louisiana Department of Education			
Child and Adult Care Food Program (Head Start) (Fy 9-30-01)	10.558	Unknown	301,707
Child and Adult Care Food Program (Head Start) (Fy 9-30-02)	10.558	Unknown	93,669
Total U.S. Department of Agriculture			<u>395,376</u>
<u>U.S. Department of Housing and Urban Development</u>			
Direct Program:			
Housing Counseling	14.169	Unknown	3,759
Total U.S. Department of Housing and Urban Development			<u>3,759</u>
<u>U.S. Department of Transportation</u>			
Passed through Louisiana Department of Transportation and Development			
Job Access Transportation	20.507	737-07-0004	27,520
Total U.S. Department of Transportation			<u>27,520</u>
Total federal expenditures			<u>\$ 5,124,081</u>

NOTE 1: The accompanying schedule of expenditures of federal awards is prepared on the accrual basis of accounting.

# COOK & MOREHART

*Certified Public Accountants*

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Report on Compliance and on Internal Control Over Financial  
Reporting Based on an Audit of Financial Statements  
Performed In Accordance With *Government Auditing Standards*

To the Board of Directors  
Ouachita Multi-Purpose Community Action Program, Inc.  
Bossier City, Louisiana

We have audited the financial statements of Ouachita Multi-Purpose Community Action Program, Inc. (a nonprofit organization) as of and for the year ended December 31, 2001, and have issued our report thereon dated April 18, 2002. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### Compliance

As part of obtaining reasonable assurance about whether Ouachita Multi-Purpose Community Action Program, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered Ouachita Multi-Purpose Community Action Program, Inc.'s internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.



However, we noted certain other matters involving the internal control over financial reporting that we have reported to the management of Ouachita Multi-Purpose Community Action Program, Inc. in a separate management letter dated April 18, 2002.

This report is intended solely for the information and use of management, the Board of Directors and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "Cook & Morehart", with a long horizontal flourish extending to the right.

Cook & Morehart  
Certified Public Accountants  
April 18, 2002

# COOK & MOREHART

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## Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance With OMB Circular A-133

To the Board of Directors  
Ouachita Multi-Purpose Community Action Program, Inc.  
Monroe, Louisiana

### Compliance

We have audited the compliance of Ouachita Multi-Purpose Community Action Program, Inc. with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended December 31, 2001. Ouachita Multi-Purpose Community Action Program, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Ouachita Multi-Purpose Community Action Program, Inc.'s management. Our responsibility is to express an opinion on Ouachita Multi-Purpose Community Action Program, Inc.'s compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Ouachita Multi-Purpose Community Action Program, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Ouachita Multi-Purpose Community Action Program, Inc.'s compliance with those requirements.

In our opinion, Ouachita Multi-Purpose Community Action Program, Inc. complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2001.

### Internal Control Over Compliance

The management of Ouachita Multi-Purpose Community Action Program, Inc. is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulation, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Ouachita Multi-Purpose Community Action Program, Inc.'s internal control over compliance with requirements that could have a direct and

material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of management, the Board of Directors and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "Cook & Morehart", written in a cursive style.

Cook & Morehart  
Certified Public Accountants  
April 18, 2002

Ouachita Multi-Purpose Community Action Program, Inc.  
Monroe, Louisiana  
Summary Schedule of Prior Audit Findings  
December 31, 2001

There were no findings or questioned costs for the prior year audit ended December 31, 2000.

Schedule of Findings and Questioned Costs  
December 31, 2001

**A. Summary of Audit Results**

1. The auditor's report expresses an unqualified opinion on the financial statements of Ouachita Multi-Purpose Community Action Program, Inc.
2. No reportable conditions are reported in the Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of Ouachita Multi-Purpose Community Action Program, Inc. were disclosed during the audit.
4. No reportable conditions are reported in the Report on Compliance With Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance With OMB Circular A-133.
5. The auditor's report on compliance for the major federal award programs for Ouachita Multi-Purpose Community Action Program, Inc. expresses an unqualified opinion.
6. Audit findings relative to the major federal award programs for Ouachita Multi-Purpose Community Action Program, Inc. are reported in Part C. of this Schedule.
7. The programs tested as major programs included: 1) Head Start Program CFDA #93.600, 2) Low-Income Home Energy Assistance Program CFDA #93.568, 3) Child and Adult Care Food Program CFDA #10.558, 4) Community Services Block Grant CFDA #93.569.
8. The threshold for distinguishing Types A and B programs was \$300,000.
9. Ouachita Multi-Purpose Community Action Program, Inc qualifies as a low-risk auditee.

**B. Findings – Financial Statements Audit – None**

**C. Findings and Questioned Costs – Major Federal Award Programs Audit– None**

Ouachita Multi-Purpose Community Action Program, Inc.  
Monroe, Louisiana  
Summary Schedule of Prior Year Audit Findings  
Schedule For Louisiana Legislative Auditor  
December 31, 2001

There were no prior year findings for the year ended December 31, 2000. The prior year management letter comments for the year ended December 31, 2000 are addressed below:

Comment #1: Payroll Account

See repeat comment in current year management letter.

Comment #2: Authorization for Payroll Deductions and Pay Rate Authorizations

Improvement noted in 2001 audit.

Comment #3: Head Start Land Purchase

Still in process of being resolved.

Comment #4: Summer Child Care Grant – Excess Funds

Excess funds were returned.

Comment #5: Payroll Tax Reports

See repeat comment in current year management letter.

Comment #6: Liheap Grant Deficit

Program did not have deficit in current year.

Ouachita Multi-Purpose Community Action Program, Inc.  
Monroe, Louisiana  
Corrective Action Plan For Current Year Audit Findings  
Schedule For Louisiana Legislative Auditor  
December 31, 2001

There were no findings or questioned costs for the current year audit.

The corrective action plan for the management letter comments for the year ended December 31, 2001 are address below:

Comment #1: Payroll Account

We are reconciling our payroll liability accounts on a monthly basis, which will ensure improvement to our general ledger.

Comment #2: Payroll Tax Reports

We have received instructions from Cook & Morehart, CPAs on the procedures to ensure that the general ledger and the tax reports will be reconciled to the general ledger each quarter in the future.



# COOK & MOREHART

*Certified Public Accountants*

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## Management Letter

April 18, 2002

Board of Directors  
Ouachita Multi-Purpose Community Action Program, Inc.  
Monroe, Louisiana

We have audited the financial statements of Ouachita Multi-Purpose Community Action Program, Inc. (OMCAP), for the year ended December 31, 2001, and have issued our report thereon dated April 18, 2002. In planning and performing our audit of the financial statements of OMCAP, we considered its internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting.

During our audit the following items were noted involving the internal control over financial reporting and other operational matters which appear to merit your attention for consideration to improve the internal control over financial reporting or operations of OMCAP. These comments have been discussed with the appropriate members of management.

### **THE FOLLOWING ARE REPEAT COMMENTS FROM PRIOR YEAR MANAGEMENT LETTER:-**

#### Comment #1: Payroll Account

In the past, the agency has not had a general ledger for its payroll account. During our audit for the year ended December 31, 2001, we noted that the agency now has a general ledger for the payroll account. However, improvement is still needed to reconcile the payroll liabilities shown on the general ledger to subsequent payments.

We recommend that the agency continue to improve the payroll general ledger and that the payroll liability accounts be reconciled on a monthly basis.

#### Comment #2: Payroll Tax Reports

During our audit, we noted that the salaries reported on the agency's 941 quarterly payroll tax reports were not being reconciled to the salaries reported on the agency's general ledger.

We recommend that the amounts reported on the payroll tax reports be reconciled to the agency's general ledger each quarter.



We express sincere thanks to OMCAP personnel for the cooperation and assistance provided us during our audit. We are available to provide you assistance and consultation in the implementation of the above mentioned items. This letter is furnished solely for the use of management and the Board of Directors and is not intended to be used for any other purpose.

A handwritten signature in cursive script, appearing to read "Cook & Morehart", written in black ink.

Cook & Morehart  
Certified Public Accountants  
April 18, 2002